

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

October 2022 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

LIDIYA GESSESE,

Defendant.

CR 2:23-cr-00025-PA

I N D I C T M E N T

[18 U.S.C. § 1343: Wire Fraud; 26 U.S.C. § 7206(2): Aiding and Assisting in the Preparation of False Returns; 18 U.S.C. § 1028A(a)(1): Aggravated Identity Theft]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

1. At times relevant to this Indictment:

a. Defendant LIDIYA GESSESE operated a business, Tax R Us and Insurance Services, LLC ("TRU"), where she prepared tax returns for a fee.

b. The Internal Revenue Service ("IRS") was an agency for the Department of Treasury responsible for administering and enforcing the tax laws of the United States.

1 c. Individual income tax returns, Forms 1040, could be
2 submitted electronically to the IRS over the Internet and would be
3 routed to the IRS through the Enterprise Computing Center in
4 Martinsburg, West Virginia.

5 B. THE SCHEME TO DEFRAUD

6 2. Beginning on an unknown date, and continuing until on or
7 about February 4, 2018, in Los Angeles County, within the Central
8 District of California, and elsewhere, defendant GESSESE, knowingly
9 and with intent to defraud, devised, participated in, and executed a
10 scheme to defraud the IRS as to material matters, and to obtain money
11 and property from the IRS by means of material false and fraudulent
12 pretenses, representations, and promises, and the concealment of
13 material facts.

14 3. The fraudulent scheme operated and was carried out, in
15 substance, as follows:

16 a. Defendant GESSESE electronically filed, and caused to
17 be filed, an income tax return with the IRS in the name of a person
18 other than herself (TRU's client). The tax return contained
19 statements defendant GESSESE knew were false and fabricated without
20 the knowledge or authority of the taxpayer as to the amount of wages,
21 income tax withheld, dependents, exemptions, earned income credit,
22 child tax credit, and American Opportunity Credit, the fraudulent
23 inclusion of which caused there to be a refund due to the taxpayer
24 from the IRS.

25 b. In preparing the filing the fraudulent tax return,
26 defendant GESSESE used identification information of persons other
27 than herself without their knowledge or consent.

1 c. Defendant GESSESE directed the IRS to electronically
2 send the false refund generated from the fraudulent tax return to a
3 TRU bank account she controlled.

4 C. USE OF INTERSTATE WIRE

5 4. On or about February 5, 2018, within the Central District
6 of California, and elsewhere, defendant GESSESE, for the purpose of
7 executing the above-described scheme to defraud, transmitted and
8 caused the transmission of the U.S. Individual Income Tax Return,
9 Form 1040, for 2017 for taxpayer T.L., by means of wire communication
10 in interstate commerce, namely, from Los Angeles, California, to the
11 IRS through the Enterprise Computing Center in Martinsburg, West
12 Virginia.

COUNTS TWO THROUGH TWELVE

[26 U.S.C. § 7206(2)]

On or about the dates set forth below, in Los Angeles County, within the Central District of California, defendant LIDIYA GESSESE, a resident of Marina Del Rey, California, and the owner of Tax R Us and Insurance Services, LLC, in Los Angeles, California, willfully aided and assisted in, and procured, counseled, and advised the preparation and presentation to the Internal Revenue Service, of U.S. Individual Income Tax Returns, Forms 1040, either individual or joint, for the taxpayers and years as set forth in the chart below. The returns were false and fraudulent as to material matters, in that each return represented that the taxpayer was entitled under the provisions of the Internal Revenue laws to claim deductions and credits for items and in amounts hereinafter specified, whereas, as defendant GESSESE then knew, the taxpayers for whom the returns were prepared were not entitled to claim such deductions and credits in the amounts claimed on their returns:

Count	Date of Offense	Taxpayer(s)	Tax Year	Falsely Claimed Item(s)	Amount(s)
TWO	04/15/17	S.W.	2016	Form 2106 unreimbursed employee expenses	\$12,960
THREE	04/15/18	S.W.	2017	Form 2106 unreimbursed employee expenses	\$11,707
FOUR	04/15/17	H.V.	2016	Schedule A unreimbursed employee expenses	\$13,760
FIVE	04/15/17	A.L. & M.L.	2016	Schedule A Other Itemized Deduction	\$2,001

Count	Date of Offense	Taxpayer(s)	Tax Year	Falsely Claimed Item(s)	Amount(s)
SIX	04/15/18	A.L. & M.L.	2017	Schedule A unreimbursed employee expenses	\$21,846
SEVEN	04/15/19	A.L. & M.L.	2018	Schedule A Other Itemized Deduction	\$16,773
EIGHT	04/15/17	K.A.	2016	Schedule A unreimbursed employee expenses	\$17,798
NINE	04/15/18	K.A.	2017	Schedule A unreimbursed employee expenses	\$15,252
TEN	04/15/19	K.A.	2018	Schedule C Loss	\$2,781
ELEVEN	04/15/17	C.L.	2016	(a) Schedule A unreimbursed employee expenses; (b) Schedule A Other Itemized Deduction	(a) \$29,210 (b) \$ 600
TWELVE	04/15/18	M.M.	2017	(a) Earned Income Credit; (b) Additional Child Tax Credit	(a) \$5,616 (b) \$1,663

COUNT THIRTEEN


[18 U.S.C. § 1028A(a)(1)]

On or about February 4, 2018, in Los Angeles County, within the Central District of California, and elsewhere, defendant LIDIYA GESSESE knowingly transferred, possessed, and used, without lawful authority, a means of identification that defendant GESSESE knew belonged to another person, that is, the name and social security number of another individual, T.L., during and in relation to wire fraud, a felony violation of Title 18, United States Code, Section 1343, as charged in Count One of this Indictment.

A TRUE BILL

/S/
Foreperson

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